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EASTERN EUROPEAN INTELLIGENCER

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18 January 1968

Eastern European Reaction to State of the Union

Initial reactions to President Johnson's State of the Union message from four Eastern European nations predictably emphasized the President's comments on Vietnam and the budget. The East Germans and Hungarians colored their reporting of Johnson's remarks on Vietnam but the Poles and Rumanians merely stated that the US "will continue its present policy" and that the President "had reiterated the well-known positions of the American government." The East Germans and Hungarians tied the proposed budget increases and surtax directly to a need to finance the war, but the Rumanians avoided making the connection.

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Poles Publicize Attaché Incident

The Polish press is keeping up steady publicity on the expulsion of a US Military Attaché, Lt. Col. Metzger. The US Embassy fears that this may augur future Polish steps against the attaché staff. The Embassy Counsellor has been called to the Foreign Ministry this morning, presumably to talk about the Metzger incident.

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More Signs of Cooling Polish-US Relations

Dr. Alfred Jahn, Rector of Wroclaw University and one of Poland's foremost Arctic explorers, has been denied permission to accept a US National Science Foundation invitation to visit scientific bases in Antarctica. An official of the Ministry of Education said that the decision was made at the highest levels of the ministry and that he could not officially discuss the reasons. He added his "personal" view that the general political situation made the Pole's participation impossible, and that the decision most likely was unrelated to the expulsion of a US military attaché (see above).

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On the same day--17 January--the Ministry of Finance formally objected to a US plan to pay social security annuitants residing in Poland with checks drawn on the US zloty account (proceeds from PL-480 loans) in the Polish

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National Bank. The measure is intended to plug a dollar outflow loophole. Previously US Treasury checks were mailed directly to annuitants who exchanged them at the Foreign Exchange Bank (PKO) at a high rate of 72 to 1. The January checks are due to be mailed now. The Embassy has asked instructions.

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COMMENT: Taken together with the attache incident, these developments suggest that the Polish regime has decided to temporarily cool its US relations.

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#### Polish Premier Calls Off Visit to East Germany

When East Germany cancelled a Polish art exhibit because it was "distasteful," Polish Premier Jozef Cyrankiewicz reportedly called off a scheduled visit to the GDR. According to a Polish foreign trade official, the East German rejection of the exhibit last fall was just one of a series of GDR restrictions imposed on Polish cultural undertakings which have thoroughly nettled the Polish Premier.

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COMMENT: East Germany has imposed stringent controls on all cultural contacts with foreign countries, including its East European allies.

#### Kadar Defends Close Ties with the Soviet Union

Janos Kadar, in his New Year address on 1 January, attacked the trend toward disunity in the communist movement and rejected

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arguments that Hungary should pursue a course more independent of the Soviet Union and the socialist camp. Kadar said that Hungary's long range policies "are policies that truly pay. and we can keep and increase our friend's appreciation--as well as our foe's respect, up to a point--by sticking to the principle of our policies at home and abroad." [redacted]

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COMMENT: These policies do "pay". The 1968 Soviet trade agreement includes increases which will boost Soviet trade to almost forty percent of Hungary's total foreign trade and supply sixty percent of Hungary's raw material needs. Kadar did not specify who was advancing arguments in favor of Hungarian independence.

#### Hungarian Central Committee Delegation Visits Yugoslavia

A Hungarian Central Committee delegation headed by CC secretary Rezso Nyers is currently visiting Yugoslavia, studying the implementation of Yugoslavia's economic reform. Nyers, so far, has discussed the ideological and political aspects of the reform with Roman Albreht, a member of the Yugoslav party central committee. [redacted]

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COMMENT: Nyers is undoubtedly paying close attention to the recent party purge of conservatives who were obstructing the reform. Hungary's problems in implementing its reform will be similar to the Yugoslav situation, where old line party hacks at the local level have been unwilling or incapable of producing under the new system.

#### Future Czechoslovak Party Activities

The next party central committee meeting will be on 15 February, according to a West German correspondent, Heinz Hofmann, who first reported Novotny's ouster from Prague. Personnel changes, an evaluation of the current situation, and revision of the party program in the direction of democratization of not only the party but the whole country, will be on the agenda.

Hofmann also reported on a speech by a central committee member at the 3-5 January plenum which elected Dubcek the new party first secretary. The speaker seems to have laid out a programmatic scheme of goals: a responsible party presidium and a first secretary who is actually what he is

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supposed to be--first among equals. In no case should too much power be concentrated in the hands of any single individual. "Above all, we need a positive program, not only in order to solve the problems of the party, but also to regain the confidence of the people... It is only the next party congress [which according to party rules should be held in 1970] which will be able to bring about a lasting solution to the party's problems."

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COMMENT: Since Dubcek's election, authoritative Czechoslovak publications have echoed these sentiments in part. It is doubtful that Dubcek will wait until 1970.

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NOTE: THE VIEWS EXPRESSED ABOVE REPRESENT  
ONLY THE ANALYSIS OF THE EE DIVISION

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